

NEIL ABERGROMBIE
GOVERNOR



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STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
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February 27, 2012

**TESTIMONY TO THE
HOUSE COMMITTEE ON FINANCE**

For Hearing on Tuesday, February 28, 2012
3:00 p.m., Conference Room 308

BY

BARBARA A. KRIEG
INTERIM DIRECTOR

House Bill No. 2254, H.D. 1
Relating to the Pretax Transportation Benefit

WRITTEN TESTIMONY ONLY

TO CHAIRPERSON OSHIRO AND MEMBERS OF THE COMMITTEES:

The purpose of HB 2254, H.D. 1, is to allow the chief executives of the jurisdictions of the State, including the counties, to establish a wage and salary reduction benefit program within the meaning of Section 132 of the Internal Revenue Code of 1986, as amended. Chief executives are also authorized to enter into all contracts necessary to establish, administer, or maintain the pretax transportation benefit programs.

The Department of Human Resources Development **supports** this bill as it provides for (1) consistency in the authority and process for establishing such employee benefits, (2) flexibility to all jurisdictions with respect to identification of the most effective employee benefits package, and (3) availability of this benefit to all public employees, rather than only those public employees within State executive branch

departments.

Thank you for the opportunity to testify on this measure.